

GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Public Services – Treasuries and Accounts Department – Pension Payment Offices, Hyderabad – Fraudulent drawal of pensions by Sri Md.Ashfaq, formerly private receipt writer O/o APPO, Chandrayanagutta and Md. Ibrahim Khaleel, Controller, APSRTC, Barkatpura to a tune of Rs.20.00 lakhs – Departmental Proceedings initiated against Retired Officers/in Service Officers of PPO Unit of Treasuries and Accounts Department – Disciplinary action against Sri T.Ramsingh, Senior Accountant (Retd.) – Imposition of punishment of withholding of Rs.500/- per month from his pension for a period of two years under Rule 9 of A.P. Revised Pension Rules, 1980 – Orders – Issued.

FINANCE (ADMN.I.VIG.) DEPARTMENT

G.O.Rt.No. 2660

Dated:26 -05-2010

Read the following:-

1. DTA Lr.No.K5/22856/2001, dt. 17-6-2003.
2. Govt. D.O.Lr.No.13365-A/42/Admn.I.Vig/2003, dt. 21-10-2003.
3. JD, PPO Charge Memo.No.K/8022/A1/JD/PPO/01, dated 19-02-2004 issued to Sri T.Ramsingh, Senior Accountant, (now retired).
4. Defence Statement of Sri T.Ramsingh, Senior Accountant (Retd.) dt. 25-7-06.
5. G.O.Ms.No.455, Finance (Admn.I.Vig) Department, dated 26-11-2008.
6. APAT Order dt.29-04-2008 in O.A.No.1808/2008 filed by Sri T.Ram Singh, Senior Accountant. (Retd.)
7. A.P.High Court orders dated 12-06-2009 in W.P.M.P.No.14020/2009 in W.P.No.25470/2008 filed by the Government.
8. Enquiry Report of Sri Janak Raj, Commissioner of Inquiries dt.05-11-2009.
9. Govt. Memo.No.13365-A/42/A2/Admn.I.Vig/2003, dated 17-11-2009.
10. DTA Lr. No. K (II) 8/22856/2001,dt:22-12-2009 along with Explanation of Sri T.Ramsingh, Senior Accountant (Retd.), dt.18-12-2009.
11. Govt. Memo.No.13365-A/42/A2/Admn.I.Vig/2003, dated 19-02-2010.
12. Explanation of Sri T.Ramsingh, Senior Accountant, (Retd.), dt.23-02-2010.
13. Govt. Letter No. 13365-A/42/Admn.I.Vig/2003, dated 12-03-2010 addressed to Secretary, APPSC
14. Secretary, APPSC Lr.No.541/RT-I/3/2010, dated 07-05-2010.

ORDER:

The Director of Treasuries and Accounts, in the reference 1st read above, reported that a case of fraudulent drawals took place in the offices of Assistant Pension Payment Officers, Chandrayangutta, Motigally, Nampally, Punjagutta and Narayanaguda. This came to light when the Banjara Hills Police have nabbed two culprits – Sri Md.Ashfaq and Sri Ibrahim Khaleel. The preliminary reports indicated that the said Sri Mohd Ashfaq, who worked earlier as pension receipt writer at the O/o the APPO, Chandrayanagutta made use of his knowledge of pension payment procedures and his contacts with the staff of the office of different APPOs and resorted to fraudulent drawls by adopting dubious means. The enquiries have revealed that the culprits used to make representations in name of the deceased pensioners, and get the addresses changed and change the bank of the pensioners and drew the amounts fraudulently. The Police investigations revealed that the culprits have resorted to this fraud in about 30 cases. On the request of the police the probable amounts of those fraudulent drawals has been estimated to be Rs.20,54,000/-. A criminal case in this matter has been registered in the Banjara Hills Police Station and it is under investigation. On detection of this fraud, the department undertook a detailed verification of those 30 Pension Payment Orders and found that the Assistant Pension Payment Officers have allowed the change of bank merely based on the option form or a representation received in the name of the pensioner and credited the pension to the new bank account without following the prescribed procedure. The descriptive rolls were changed by affixing the photographs of the fake pensioners. The Assistant Pension Payment Officers concerned have failed to keep

records in the safe-custody. This has given scope for the culprits and those who were in connivance with them to have easy access and commit the fraud. The Charged Officers failed to follow the procedure prescribed in SRs.64 to 87 under TR.16 of A.P.Treasury Code. Vol-I and the procedure prescribed in G.O.Ms. No.213, Finance & Planning (FW PSC) Department, dated.19-12-1997 and instructions issued thereon from time to time and thus, they have not only given scope for these fraudulent drawals but also helped the culprits to continuously draw them over a period of time. They have not followed appropriate procedure in obtaining the life-certificates, descriptive rolls and in filing them in the files concerned. These failures have paved way for the culprits to tamper with records of the office and resort to fraudulent drawals.

2. Departmental Proceedings were initiated against Sri T.Ramsingh, Senior Accountant (Retired) along with others of PPO Unit of Treasuries and Accounts Department who were allegedly responsible for the irregularities and for their failure to follow the procedure prescribed in SRs.64 to 87 under TR.16 of A.P.Treasury Code. Vol-I and the procedure prescribed in G.O.Ms No.213, Finance & Planning (FW PSC) Department, dated.19-12-1997 and instructions issued thereon from time to time. The following Article of Charge has been framed against Sri T.Ramsingh, Senior Accountant, O/o APPO, Motigally (Retd.) vide Joint Director, PPO Charge Memo. No.K/8022/A1/JD/PPO/01, A.P., Hyderabad dated 19-02-2004.

Sri T.Ram Singh, Senior Accountant, (Retd.), while working as Senior Accountant, O/o APPO, Motigally during the period from February 1999 to November 1999 has failed to follow the procedure prescribed in A.P.Treasury Code and Instructions issued thereon from time to time in making pension disbursements in respect of certain Pension Payment Orders and thereby given scope for drawls and was responsible for a loss of Rs.5,888/- to the exchequer.

Thus, Sri T.Ram Singh, Senior Accountant, (Retd.), while working as Senior Accountant, O/o APPO, Motigally by the above mentioned acts has exhibited lack of integrity devotion to duty and conduct unbecoming of a Government Servant and thereby contravened Rule 3 (1) & (2) of A.P. Civil Service (Conduct) Rules, 1964.

3. In his defence statement, while denying the article of charge framed against him he has requested to drop the charge on the following grounds:

- i. It is mentioned that on the basis of the charge that he did not follow the S.Rs. 64 to 87 under TR16 of A.P. Treasury Code Volume-I and also the procedure contained in G.O.Ms.No.213, Finance and Planning (F.W. PSC) Dept., dt.19-12-1997 while arranging payment of pension. Consequent to the issue of orders through G.O.Ms.No. 213, Finance and Planning (F.W.PSC) Dept., dated 19-12-1997 enabling the Pension Disbursing officers to send pension to the banks in which the pensioners have opened SB Accounts; the provisions contained in SRs 64 to 87 under TR 16 of A.P. Treasury Code Vol. I have been superseded. Even prior to the issue of G.O.Ms.No.213, Finance and Planning (F.W.PSC) Dept, dt. 19-12-1997 orders have been issued in G.O.Ms.No.79, Finance and planning (F.W.PSC) Dept., dated. 4-3-1989 to make payment of pensions in twin cities compulsory through the banks.
- ii. Smt. Vazeer Bee was being paid at Pension Payment Office, Jambagh, Hyderabad prior to the issue of orders in G.O.Ms.No.79, Finance & Planning. (FW.PSC) Dept., dt. 4-3-1989 and that she opted for payment of pension from SBH, Moghul Pura. It is not known as to how her PPO was transferred to the APPO Punjagutta. The Descriptive Roll of the pensioner was attested by Medical Officer. Government Nizamia General Hospital, Charminar and it appears to have been made to draw pension in the name of bogus pensioner. He had only continued payment of pension for the period from 2/99 to 11/99.

- iii. **The question of personal verification of the pensioner in the Pension Payment Officer was also dispensed with vide G.O.Ms.No.213, Finance (PSC) Department, dated 19-12-1997 extending the procedure of payment of pension through the banks compulsorily. There is no violation of any rule in continuing payment of pension to the said pensioner.**
- iv. As regard the life certificate due from the pensioner during the period from November 1999 to Jan. 2000. The life certificate issued by the Manager, S.B.I.Branch, Banjara Hills on 12-04-2000.Hence, there was no need to verify life certificate till the end of December 1999.

4. The defence of the charged officer that he had paid pension to bogus pensioners based on the life certificates is not at all tenable. It may not be possible to others, without collusion of the Charged Officers working in the APPO offices, to replace the photographs of the deceased pensioners pasted on the descriptive rolls with the photographs of the bogus pensioners. The defence of the Charged Officer is not satisfactory. The truth will come out only in a common inquiry of all the charged officers involved in the case. Since a common inquiry has to be ordered in this case to elicit the truth against all the 44 charged officers involved in this case, the disciplinary authority could not proceed with further action as majority of the Charged Officers did not submit their written statement of defence and insisted for certain original documents which were seized by the police and copies of certain documents.

5. Sri T.Ramsingh, Senior Accountant (Retd.) has filed O.A.No.1808/2008. The Hon'ble APAT in their common order dated. 13-2-2008 in O.A.No.7131/2007 & 6283/2007, held that, "there shall not be any further delay in referring the matter to the Commissioner of Enquires to proceed with the enquiry against all the officers concerned. Therefore, the respondents shall forthwith proceed with the appointment of the Enquiry Officer or refer the matter to the Commissioner of Enquiries and the respondents shall conclude the disciplinary proceedings against the applicants herein within a period of six months from the date of the receipt of these orders and pass final orders. If for any reasons, the respondents are not concluding the disciplinary proceedings within the specified time, as far as the applicants are concerned, the disciplinary proceedings should be deemed to have been dropped" and also extended the same order in O.A.No. 1808/2008, filed by Sri T.Ram Singh, Senior Accountant (Retd.).

6. As this is a case of large-scale misappropriation of public money, it was felt that the orders of the Hon'ble APAT were unjustified and against wider public interest. Further, as there was a criminal case pending in this case and if the departmental proceedings are treated as deemed to be dropped as per the order of APAT, it will be caused serious prejudice to the departmental proceedings and further this is detrimental to the criminal proceedings too. Aggrieved with the orders of Hon'ble APAT in O.A.No.1808/2008 dated 29-04-2008, Government filed a Writ Petition 25470/08. The Hon'ble High Court observed that "Perusal of the material on record shows that in the large scale misappropriation of public money, several persons were involved and some of the charged officers have not filed their written statements, as alleged by the petitioners. Therefore, without going into the merits of the case, disposed the W.P. with directions to the petitioners to conclude the disciplinary proceedings against the respondent within a period of eight weeks from the date of receipt of orders. *Further, the orders of the Tribunal to the extent that the proceedings should be deemed to have been dropped if the petitioners have not concluded the same within the specified time is set aside.* Accordingly, the writ petition is disposed of no costs". Government has filed WPMP for extension of time to dispose off the case of the Charged Officer and it is pending in A.P. High Court.

6. Hence, the Government has decided to conduct a regular common enquiry as per the procedure laid down under Rule 20 of A.P. Civil Services (CC&A) Rules 1991 read with Rule 9 of A.P. Revised Pension Rules, 1980.Government,in exercise of the powers conferred by Sub-rule (2) of Rule 20 of A.P. Civil Services (CC&A) Rules, 1991, appointed Sri Janak Raj, IPS (Retd.) Commissioner of Inquiries, Department as Inquiry Authority to inquire into

the charges framed against the Charged Officer Sri T.Ramsingh, Senior Accountant (Retired) and in exercise of the powers conferred by Sub-Rule (5) of A.P. Civil Services (CC&A) Rules, 1991 appointed Sri Jagan Mohan Goud, Joint Director of Treasuries and Accounts O/o the Director General, Dr. MCR HRDI, Hyderabad as Presenting Officer.

7. **The Inquiry Authority, Sri Janak Raj, Commissioner of Inquires has furnished his report vide reference 8th read above.** In the Enquiry the charge framed against Sri T.Ramsingh, Senior Accountant (Retired) has been proved. While furnishing a copy of the report of Enquiry Officer, a Show Cause Notice was issued to Sri T.Ramsingh, Senior Accountant (Retd.) as to why a suitable punishment should not be imposed against him as the charge framed against has been proved in the inquiry vide reference 9th read above.

8. Sri T.Ramsingh, Senior Accountant (Retd.) in his representation on the findings of the E.O. while reiterating the points mentioned in his statement of defence, has requested to drop further action against him as he has to perform his daughter's marriage which is pending due to financial problems.

9. In the meanwhile, **The Charged Officer, Sri T.Ramsingh, Sr.Accountant (Retd.) has filed a Contempt case No. 1336/2009 and it is pending before Hon'ble High Court.** The Director of Treasuries and Accounts has filed petitions for extension of time.

10. Therefore, Government examined his case separately and after careful consideration of the material on record and findings of the Inquiry Authority and representation of the Charged Officer thereon, has provisionally decided to impose a punishment of withholding of Rs.500/- from his pension for a period of two years and issued a Final Show Cause Notice to him vide reference 11th read above.

11. *According to Rule 9 (1) A.P. Revised Pension Rules, 1980, "The Government reserves to themselves the right of withholding a pension or gratuity, either in full or in part, or withdrawing a pension in full or in part, whether permanently or for a specific period and of ordering recovery from a pension or gratuity of the whole or part of any pecuniary loss caused, to the Government and to the local authority if, in any departmental or judicial proceedings the pensioner is found guilty of grave misconduct or negligence during the period of his service, including service rendered upon re-employment after retirement: Provided that the Andhra Pradesh Public Service Commission shall be consulted before any final orders are passed. Further, the Government will serve the person concerned with a show-cause notice specifying the action proposed to be taken under this rule and the person concerned will be required to submit his reply to the show-cause notice within such time as may be specified by the Government. The Government will consider the reply and consult the Andhra Pradesh Public Service Commission. If as a result of such consideration in consultation with the Commission, it is decided to pass an order under the rule, necessary orders will be issued in the name of the Government."*

12. The Charged Officer, Sri T.Ram Singh, Senior Accountant (Retd.) in his explanation dated 23-02-2010 has accepted the punishment proposed to impose against him and requested to release his pensionary benefits without further delay so as to perform his daughter's marriage.

13. Government, after careful consideration of the material on record i.e. Charge Memo., defence statement, finding of the Inquiry Authority, explanation of the Charged Officer to the Show Cause Notices, orders of Hon'ble APAT and APHC, **provisionally decided to impose a punishment of** withholding of Rs.500/- from his pension for a period of two years on Sri T.Ramsingh, Senior Accountant (Retired) and addressed the Secretary, Andhra Pradesh Public Service Commission for according concurrence of the Commission with the proposed punishment against Sri T.Ramsingh, Senior Accountant (Retired) and intimate the same to the Government immediately for taking further action so as to comply the APHC orders.

14. The Secretary, A.P. Public Service Commission, Hyderabad in their letter 14th read above, have concurred with the proposal of the Government for imposition of a punishment of withholding Rs.500/- per month from pension for a period of two years on the Charged Officer Sri T.Ramsingh, Senior Accountant (Retired).

15. Government accordingly, hereby order for imposition of a punishment of withholding Rs.500/- per month from pension for a period of two years on the Charged Officer Sri T.Ramsingh, Senior Accountant (Retired) under Rule 9 of A.P. Revised Pension Rules, 1980.

16. The Director of Treasuries and Accounts, Hyderabad shall take necessary further action in the matter accordingly.

17. The G.O. is available on Internet and can be accessed at the address <http://www.goir.ap.gov.in>.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**L.V.SUBRAHMANYAM
PRINCIPAL SECRETARY TO GOVERNMENT (FP)**

To

The individual through Director of Treasuries and Accounts, AP, Hyderabad.

The Director of Treasuries and Accounts, AP, Hyderabad.

The Joint Director, PPO, Hyderabad.

Copy to:

The Secretary, A.P. Public Service Commission, AP, Hyderabad.

The Secretary, A.P. Vigilance Commission, A.P., Hyderabad.

SF/SC

:: FORWARDED BY ORDER ::

SECTION OFFICER